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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

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Tourism in New Mexico: A Study of New Mexico Tourism and Travel Division Patrons

Though tourism is frequently mentioned as a major source of economic benefit to New Mexico, in truth little is known with precision about this industry's relative importance to the state economy. Visitor activity is notoriously difficult and expensive to identify and measure and up to now most of what has been reported regarding the impact of tourism in New Mexico has been based on conjecture and perhaps wishful thinking. Indeed, when visitor statistics are displayed the numbers are almost always premised on secondary sources either of doubtful reliability or of dubious relevance to New Mexico.

The need for sound tourist information is recognized by many and in recent years there have been several efforts by communities to overcome the lack of data. In Albuquerque, for example, annual surveys have been conducted by the Albuquerque Convention and Visitors Bureau since 1987. The surveys provide excellent data on visitor impacts and characteristics. While this information is useful, it addresses only those potential visitors contacting the Albuquerque Visitors Bureau and evaluation of impacts is confined to Albuquerque, exclusively.

Thus, despite recent efforts the paucity of visitor data continues and a comprehensive assessment of statewide impact remains infeasible to this day. However, recent survey research has provided for the first time some benchmark figures on tourism in New Mexico without regard to specific communities or regions of the state. The data are limited, but it represents a good first step. Hereafter we will focus on what this research revealed and how the effort was accomplished.

Each year the New Mexico Tourism and Travel Division responds to thousands of inquiries from people living outside the state.[1] In 1989 the Division handled over 162,000 requests. Most frequently, the inquiries pertain to information about New Mexico because a trip to or through the state is anticipated or considered. The Tourism Division promotes tourism and encourages visits by mailing copies of the *New Mexico Vacation Guide* and a state travel map to each patron showing interest in New Mexico. This ongoing promotion activity provided the New Mexico Tourism & Travel Division an excellent opportunity for obtaining tourist data. The Division maintains its patron mailing lists and it was reasonable to conclude that many households receiving the map and guide have been to (or passed through) the state recently.

The survey was initiated in the fall of 1989 with questionnaires mailed to a random sample of patrons who had contacted the Division sometime during the 12 months preceding August, 1989. Response was favorable and by December of that year nearly 500 surveys had been returned and processed. The effort was sponsored by the New Mexico Tourism & Travel Division and the Bureau of Business and Economic Research performed the coding, computer processing and analysis of completed questionnaires.

The questions asked most often about tourism generally relate to visitor and trip characteristics and to the economic impact of tourism. The following provides a look at these two issues based on the responses of patrons that had been to New Mexico within the past 12 months. The visiting patrons accounted for nearly two thirds of survey respondents. A majority (57 percent) of respondents also said they made purchases while in the state.

Visitor Profile

One item of interest that was revealed by the survey was that only a portion of visitors described New Mexico as their primary destination. About one in six of the travel parties had stopped in New Mexico but said they were passing through to another state and nearly half said New Mexico was only one of several destinations. Only about one in three of the patron travel parties specified New Mexico as their primary destination. Most visitors (75 percent) listed vacation as the primary purpose of the trip. Only six percent mentioned conducting business or attending a convention or conference as their purpose. When asked about the major considerations in selecting New Mexico for a visit or stopover three factors stood out over all others: "Scenic Beauty" (75 percent), "Historical Sites" (62 percent) and "Indian Cultural Opportunities" (55 percent).

The vast majority (80 percent) arrived by private vehicle (50 percent) or airplane (30 percent). Another 11 percent said they traveled by RV, camper or motorhome. They came from almost every state but only five accounted for more than four percent of the visitors. The five were Texas (18.4 percent), California (13.7 percent), New York (6.3 percent), Illinois (5.4 percent) and Arizona (4.1 percent).

Over 80 percent of the travel parties visited New Mexico

(continued on page 7)

[1]The Tourism & Travel Division is within the New Mexico Economic Development & Tourism Department.

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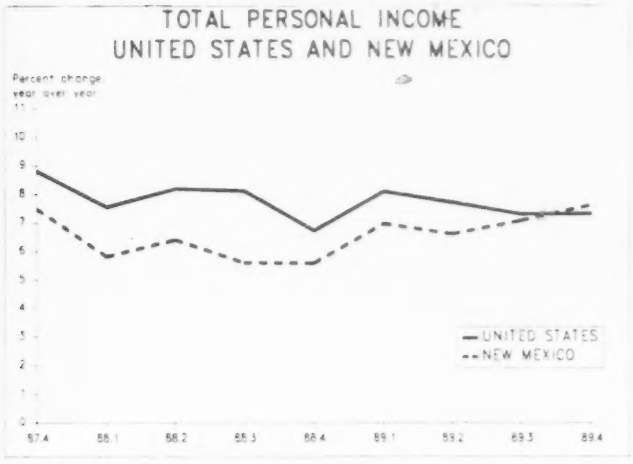
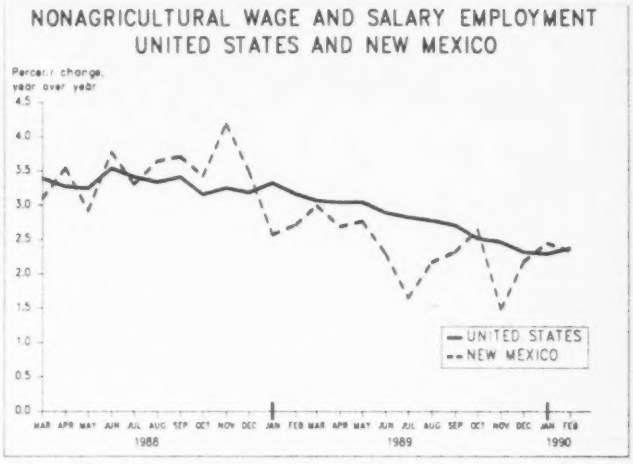
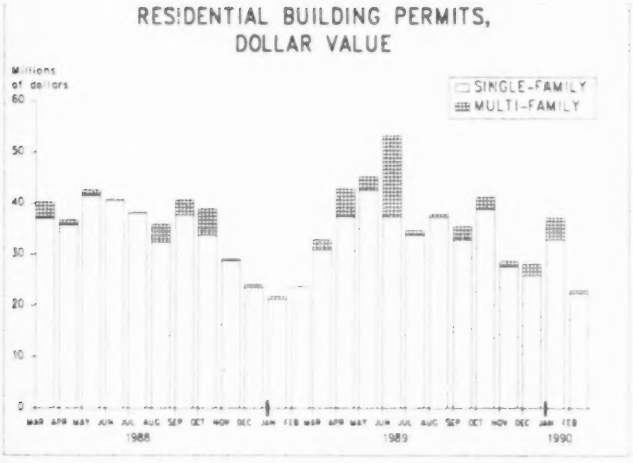
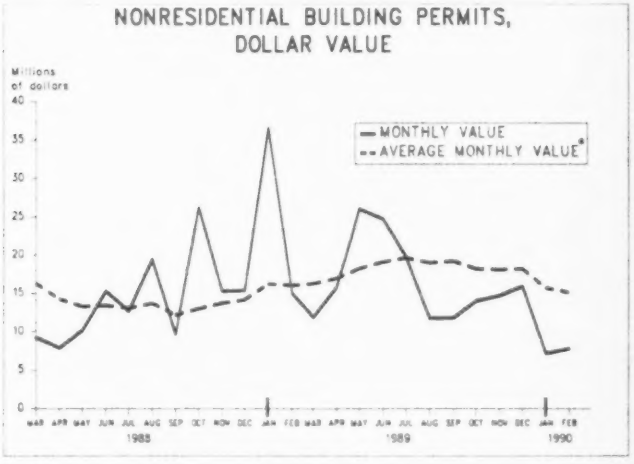
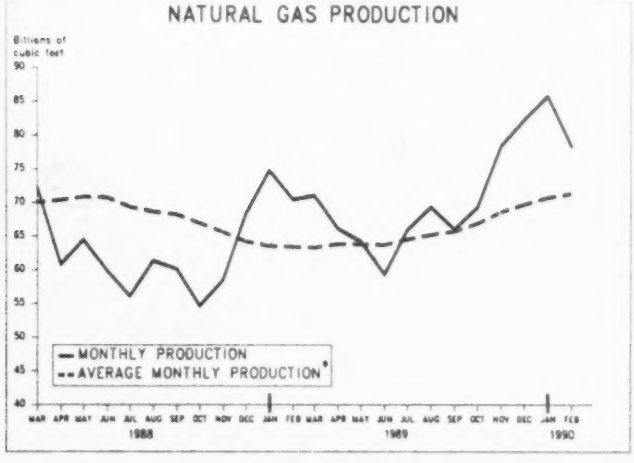
ECONOMIC TRENDS IN NEW MEXICO

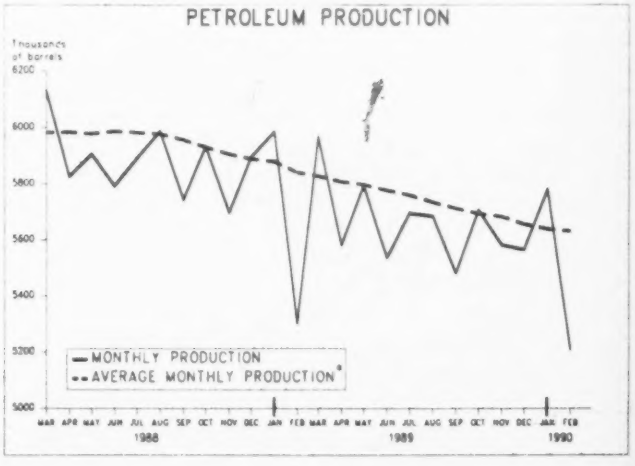












* 12 month moving average. For example, the point for August, 1988 represents an average of data from September, 1987 through August, 1988.

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Consumer price index				
All urban consumers (1982-84=100)				
All items	Feb 90	128.0	5.3	127.4
Food and beverages	Feb 90	130.9	6.7	130.0
Housing	Feb 90	126.1	4.1	125.9
Apparel and upkeep	Feb 90	120.4	4.4	116.7
Transportation	Feb 90	117.1	4.9	117.2
Medical care	Feb 90	157.5	8.5	155.9
Entertainment	Feb 90	130.4	4.9	129.9
Other goods and services	Feb 90	154.7	7.4	154.0
Revised series, wage earners and clerical workers (1982-84=100)				
All items	Feb 90	126.4	5.2	125.9
Gross national product* ($Bil. constant)	Q4 89	4174.1	2.6	+162.9
Prime interest rate** (% per annum)	Feb 90	10.0	-13.0	10.0
Mortgage interest rate*** (% per annum)	Feb 90	9.9	0.6	9.9
3 month treasury bill# (% per annum)	Feb 90	7.8	-8.5	7.6
Industrial production## (1977=100)	Feb 90	141.8	0.9	141.0
Manufacturers new orders## ($Bil.)	Feb 90	231.6	0.1	227.6

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Feb 90	651.5	2.7	648.7	116,308	1.1	116,037
Unemployment rate (%)	Feb 90	6.1	-	5.9	5.8	-	5.9
Nonagricultural employment (000)	Feb 90	561.9	2.3	556.8	108,869	2.4	108,342
Personal income### ($Mil.)	Q4 89	20,789	7.6	20,202	4,470,967	7.3	4,381,863
Housing units permitted							
Single	Feb 90	283	-7.5	335	58,853	-1.1	60,971
Multi	Feb 90	17	N	157	20,659	-23.1	50,874

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Department of Labor and U. S. Bureau of Labor Statistics: employment and unemployment data
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Feb 90	694.0	1.7	689.2	1.4
Total employment* (000)	Feb 90	651.5	2.7	648.7	2.7
Unemployment* (000)	Feb 90	42.5	-12.0	40.5	-13.8
Unemployment rate (%)	Feb 90	6.1	-	5.9	-
Weekly new unemployment insurance claims	Feb 90	1526.0	2.1	1536.0	-9.1
Nonagricultural wage/salary employment**(000)	Feb 90	561.9	2.3	556.8	2.3
Personal income*** ($ mil.)	Q4 89	20789.0	7.6	20202.0	7.1
New business incorporations	Dec 89	245.0	5.2	180.0	4.9
Business failure liabilities ($ 000)	Dec 89	1642.0	137.3	4004.0	-61.1
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Dec 89	50.5	-0.6	123.0	1.5
Crops ($ mil.)	Dec 89	35.4	0.9	53.1	12.9
Total ($ mil.)	Dec 89	85.9	0.0	176.1	4.8
3. MINING					
Employment** (000)	Feb 90	14.5	5.1	14.8	-1.4
Average hourly earnings ($)	Feb 90	12.37	4.8	12.60	3.0
Petroleum production (000 bbls.)	Feb 90	5210.6	-1.7	5780.6	-3.6
Natural gas production (bil. cu. ft.)	Feb 90	78.4	11.2	85.8	12.4
Coal production (000 short tons)	Feb 90	2300.0	31.3	2279.0	14.5
Oil well completions&	Feb 90	56.0	86.7	50.0	-0.4
Gas well completions&	Feb 90	66.0	50.0	65.0	45.5
Total footage drilled&& (000)	Feb 90	474.2	23.7	686.8	0.6
Oil sales ($ mil.)	Dec 89	96.3	28.9	97.7	17.8
Gas sales ($ mil.)	Dec 89	133.7	68.2	111.9	4.6
4. CONSTRUCTION					
Employment** (000)	Feb 90	27.0	-3.2	27.1	-1.3
Average hourly earnings ($)	Feb 90	11.85	6.0	11.80	2.8
Residential units permitted	Feb 90	300.0	-2.0	492.0	6.0
Residential building permits ($ mil.)	Feb 90	22.8	-3.8	37.1	6.6
Nonresidential building permits ($ mil.)	Feb 90	7.8	-48.0	7.2	-6.0
Residential construction contracts ($ mil.)	Feb 90	28.6	-6.5	26.7	-11.0
Nonresidential construction contracts ($mil.)	Feb 90	15.4	-18.9	21.5	-16.0
Nonbuilding construction contracts ($ mil.)	Feb 90	13.8	-68.5	28.1	-29.8
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Feb 90	29.0	1.0	29.1	0.0
Communications average hourly earnings ($)	Feb 90	14.15	0.4	13.88	1.1
Utilities average hourly earnings## ($)	Feb 90	14.68	0.5	14.51	3.2
6. MANUFACTURING					
Employment** (000)	Feb 90	42.1	2.4	42.1	3.4
Average hourly earnings ($)	Feb 90	8.78	-2.1	9.01	-2.0
Electric & electronic equipment employment** (000)	Feb 90	5.6	-1.8	5.5	3.6
Transportation equipment employment** (000)	Feb 90	5.4	0.0	5.4	0.0
Food & kindred products employment** (000)	Feb 90	4.3	13.2	4.5	10.0
Textile & apparel employment** (000)	Feb 90	2.7	-3.6	2.6	0.0
Lumber & wood products employment** (000)	Feb 90	2.5	4.2	2.5	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Feb 90	24.3	2.5	24.4	2.5
Retail employment** (000)	Feb 90	107.6	2.1	108.4	2.9
Average hourly earnings ($)	Feb 90	7.20	5.9	7.22	4.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Feb 90	26.6	2.3	26.7	0.0
Bank average hourly earnings ($)	Feb 90	6.70	1.5	6.83	7.0
Bank total assets ($ mil.)	Q4 89	10727.0	5.5	10418.0	5.0
Bank total deposits ($ mil.)	Q4 89	8977.0	3.9	8693.0	3.3
Bank net loans ($ mil.)	Q4 89	5813.0	1.1	5789.0	1.6
S & L total assets ($ mil.)	Oct 89	5068.0	-8.9	5172.0	-9.9
S & L total deposits ($ mil.)	Oct 89	4446.0	-5.2	4508.0	-4.1
S & L new mortgage loans closed&&& ($ mil.)	Oct 89	59.0	-25.3	50.0	-25.0
9. SERVICES AND TOURISM					
Total service employment** (000)	Feb 90	139.5	2.3	138.6	3.6
Lodging employment** (000)	Feb 90	11.0	1.9	11.1	2.6
Eating & drinking places employment** (000)	Feb 90	40.0	2.8	40.0	3.8
Visits to state parks (000)	Feb 90	134.2	-11.5	103.3	-6.8
Visits to national parks/monuments (000)	Feb 90	88.4	2.8	71.0	6.5
Passenger traffic at Albuquerque airport@ (000)	Feb 90	352.1	12.1	346.9	9.5
Lodgers tax receipts ($ 000)	Q4 89	3078.8	21.3	3533.5	17.6
Lodging occupancy rates (%)	Feb 90	56.9	2.3	49.7	4.4
10. GOVERNMENT					
Total government employment** (000)	Feb 90	151.3	3.5	145.6	2.4
Federal employment** (000)	Feb 90	31.1	0.6	31.0	1.6
State employment** @@ (000)	Feb 90	54.5	6.7	49.7	3.7
Local employment** (000)	Feb 90	65.7	2.3	64.9	1.6
Total general fund revenues@@@ ($ mil.)	Feb 90	122.8	4.7	159.7	2.7

Note: selected data items subject to revision.
N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Does not include transportation.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratory (LANL). Full time equivalent employment (FTE) at LANL is 7,700 as of April 1989 according to LANL Personnel Dept.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Department of Labor: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy, Minerals and Natural Resources Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
U. S. Federal Deposit Insurance Corporation: Section 8;
New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Pannell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* DEC-FEB	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* SEP-NOV
Alamogordo	$ 14,999	5.8	$ 15,537
Albuquerque	272,166	10.6	269,426
Artesia	5,906	16.6	5,434
Carlsbad	13,870	15.4	13,570
Clovis	18,319	7.8	17,584
Deming	6,141	5.2	6,196
Espanola	6,883	6.3	7,932
Farmington	36,188	13.2	32,477
Gallup	23,959	6.0	23,985
Hobbs	17,880	11.6	16,261
Las Cruces	40,935	10.9	36,918
Las Vegas	6,565	12.0	6,648
Los Alamos	7,372	16.6	8,005
Portales	5,159	9.7	5,247
Rio Rancho	6,615	15.5	6,108
Roswell	22,775	17.4	21,736
Ruidoso	5,741	0.9	6,929
Santa Fe	61,075	15.0	67,771
Silver City	8,795	11.7	8,793
Taos	9,108	19.1	10,131
State total	752,536	11.6	753,404

\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.
* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION@
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	FEB. 1990	FEB. 1989	CUMULATIVE TOTAL THROUGH FEB. 1990	CUMULATIVE TOTAL THROUGH FEB. 1989	FEB. 1990	FEB. 1989	CUMULATIVE TOTAL THROUGH FEB. 1990	CUMULATIVE TOTAL THROUGH FEB. 1989
NEW RESIDENTIAL**								
Alamogordo	2	3	5	6	$ 172	$ 186	$ 393	$ 360
Albuquerque, Total	80	97	158	208	6,969	7,305	13,956	15,391
Single Family	80	97	158	208	6,969	7,305	13,956	15,391
Multi Family	0	0	0	0	0	0	0	0
Carlsbad	0	1	4	1	0	94	214	94
Clovis	20	11	41	11	1,438	702	8,028	702
Farmington	2	1	4	1	140	66	272	66
Hobbs	0	1	0	1	0	116	0	116
Las Cruces	32	28	58	60	1,687	2,028	3,725	4,262
Los Alamos	1	0	2	1	91	0	261	280
Rio Rancho	20	73	49	131	1,132	3,253	2,757	6,197
Roswell	2	5	4	13	185	323	303	936
Ruidoso	5	4	6	8	490	253	561	506
Santa Fe	23	15	54	31	2,312	2,221	5,480	3,860
NEW NONRESIDENTIAL								
Alamogordo	1	3	3	10	114	56	345	186
Albuquerque	2	0	4	2	2,100	0	16,934	31,220
Carlsbad	4	3	9	8	9	5	26	181
Clovis	1	0	3	2	39	0	328	132
Farmington	1	0	2	0	12	0	53	0
Hobbs	1	1	4	1	20	126	792	126
Las Cruces	8	14	22	21	1,964	688	2,350	739
Los Alamos	0	1	1	1	0	20	80	20
Rio Rancho	0	1	0	3	0	100	0	346
Roswell	6	9	9	14	31	779	37	906
Ruidoso	2	0	2	0	132	0	132	0
Santa Fe	8	2	14	7	479	60	910	2,236

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
@ Data refer only to permits authorized for private construction projects. Public buildings and projects are excluded.
* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.
** Residential data includes both single and multi-family units. In the case of Albuquerque, single and multi-family units are also shown separately.

Sources: U. S. Department of Commerce, Bureau of the Census: all cities, except for Rio Rancho;
City of Rio Rancho: Rio Rancho only.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r
TOTAL CIVILIAN LABOR FORCE	694.0	1.7	689.2	263.8	0.7	259.9	58.5	6.0	57.7	68.3	5.7	68.4
Employment@	651.5	2.7	648.7	251.5	1.3	248.8	54.6	6.2	54.2	66.0	7.1	65.4
Unemployment	42.5	-12.0	40.5	12.3	-10.2	11.1	3.9	2.6	3.5	2.3	-23.3	3.0
Unemployment rate (%)	6.1	-	5.9	4.7	-	4.3	6.7	-	6.1	3.4	-	4.4
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	561.9	2.3	556.8	241.2	1.6	238.4	44.0	5.0	43.3	57.0	3.4	56.2
Mining	14.5	5.1	14.8	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1
Contract construction	27.0	-3.2	27.1	12.5	-0.8	12.5	2.2	0.0	2.2	2.5	-3.8	2.5
Manufacturing	42.1	2.4	42.1	21.0	0.5	21.0	3.5	0.0	3.6	1.8	5.9	1.8
Durable goods	28.4	1.4	28.4	15.1	0.0	15.1	1.6	0.0	1.6	1.2	9.1	1.2
Nondurable goods	13.7	4.6	13.7	5.9	1.7	5.9	1.9	0.0	2.0	0.6	0.0	0.6
Transportation & public utilities	29.0	1.0	29.1	12.6	0.8	12.6	1.6	0.0	1.6	1.0	0.0	0.9
Trade	131.9	2.2	132.8	59.6	0.0	59.9	9.1	3.4	9.1	10.5	1.9	10.7
Wholesale	24.3	2.5	24.4	14.6	1.4	14.5	1.0	0.0	1.0	1.0	11.1	1.0
Retail	107.6	2.1	108.4	45.0	-0.4	45.4	8.1	3.8	8.1	9.6	2.1	9.7
Finance, insurance, & real estate	26.6	2.3	26.7	14.3	0.7	14.1	1.7	0.0	1.7	2.1	0.0	2.1
Services	139.5	2.3	138.6	71.3	2.6	70.6	7.8	8.3	7.8	15.2	2.7	14.8
Government	151.3	3.5	145.6	49.8	3.5	47.6	18.1	6.5	17.3	24.0	5.7	23.5
Federal	31.1	0.6	31.0	13.7	0.7	13.5	4.3	2.4	4.3	1.7	0.0	1.6
State	54.5	6.7	49.7	14.0	6.9	12.0	7.8	9.9	7.1	17.9	6.5	17.6
Local	65.7	2.3	64.9	22.1	3.3	22.1	6.0	5.3	5.9	4.4	4.8	4.3

N Not available, less than 50 jobs.
P Preliminary.
R Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Department of Labor.

Tourism in New Mexico . . .

(*continued from page 1*)

sometime during the six months between April and November. About 42 percent of these visits were made during June, July and August. The majority (over 55 percent) spent between one and five days in the state and only one in ten parties remained in New Mexico more than ten days. The average length of stay for all respondents was six days.

Two thirds of the visiting parties were comprised of one or two members. Less than six percent included more than five in the party. The average party size for all patrons was 3.1 members. Most of the visitors stayed in hotels or motels. Slightly more than 23 percent said they did not stay in hotels. For those staying in hotels or motels the average stay was 4.9 nights.

The majority (55.4 percent) of visiting parties spent $100 or less daily while in New Mexico. However, nearly nine percent of the patrons said that their average daily spending was over $300. The overall daily average was $143. This amount represents all expenditures made in New Mexico but the figure does *exclude* travel costs to and from the visitor's home residence.

Patrons were asked to list all major communities in New Mexico in which they stopped and visited. Five cities were mentioned most frequently by respondents. Leading the way by far was Albuquerque (63.5 percent) and Santa Fe (61.3 percent). The next three cities in order were Taos (44.4 percent), Gallup (24.8 percent) and Carlsbad (19 percent).

Visitor Impact

New Mexico's economy benefited from the tourist activity just described. Tourist dollars translate into gains in employment, income and tax revenue. Average spending for each travel party was $860. The estimate for all respondents combined was $240,000. However, these numbers represent only a small section of total impact attributable to the visiting patrons of the Tourism Division.

It will be recalled that the Division handled about 162,000 inquiries. The survey was conducted with a random sample of these patrons and with measurable statistical error inferences based on these sample data can be passed to all patrons from which the sample was obtained. That is, the survey results are representative of all patrons, but derived estimates must include the chance of sampling error. For example, the statistical parameter (with a 75 percent confidence factor) for average daily spending was $143.30 $\pm$ $18.70. In other words, daily spending of respondents was $143.30 while the estimate for all patrons ranges between $124.60 and $162.00. Results are summarized in the following table. As described, the upper and lower estimates reflect the possible errors due to sampling.

The table also illustrates the effect of successive spending of the tourist's dollars. An example of direct tourist impact is seen by a visitor party paying for their motel stay. Secondary spending impacts can result when the hotel owner uses a portion of the hotel receipts to purchase cleaning supplies at

(*continued on page 8*)

Tourism in New Mexico . . .

(*continued from page 7*)

the local retail store. In this example, the retail store also benefits (but indirectly) from the tourist's hotel spending. This phenomenon is commonly measured by the multiplier. Though a multiplier value derived from New Mexico data is not available, recent studies indicate that values range between 1.4 and 1.8. A multiplier of 1.6 is applied below. This value should provide a reasonably conservative estimate of overall tourist impact resulting from the visits of patrons of the Tourism Division.

In summary, a survey of patrons of the Tourism Division shows that all patrons in the 1989 period contributed between $91.2 and $171.2 million, directly and indirectly, to the state's economy. This provides a clear demonstration of the importance of tourism to New Mexico.

A distinguishing feature of the survey was that it represented New Mexico as a whole and not, as in many previous collection efforts, just a specific community such as Santa Fe or Albuquerque. That said, the survey also had a serious limitation because it excluded the input of tourists in the state at that time who had not contacted the Division for information. Thus, displayed survey findings represent only a portion of all tourists to the state.

Spending and Related Statistics of Patrons of the Tourism and Travel Division (1989 Tourism Inquiries)*

Item	*Lower Bound*	*Upper Bound*
Number of Patron Visitors**	223,900	365,500
Direct Spending of Patrons	$57,000,000	$107,000,000
Total Spending***	$91,200,000	$171,200,000
Average		
Party Size	2.7	3.6
Daily Spending	$125	$162
Length of Stay (days)	5.2	6.5

*In 1989 there were 162,174 tourism inquiries to the New Mexico Tourism & Travel Division.

**These figures are based on the visiting patrons that also indicated that they had spent money while in the state—about 57 percent of respondents.

***Assumed spending multiplier of 1.6.

John L. Temple
Assistant Director

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The Bureau of Business and Economic Research has recently released the 1989 edition of the *New Mexico Statistical Abstract*. The 1989 abstract has 215 pages, containing 149 data tables, and 20 charts, graphs or maps. Historical data are shown in many tables and, where possible, information is updated through 1986. Featured in this edition are five tables of county rankings and expanded two-page county profiles. Ranked data comparing New Mexico counties include population, income, employment, health and vital statistics and welfare topics. Chapter headings in addition to the county rankings and profiles are: Agriculture; Climate & Water; Construction; Crime & Law Enforcement; Education; Employment; Finance; Government; Housing; Income; Manufacturing; Mining; Population; Poverty & Welfare; Roads & Traffic; Trade & Services; Travel & Recreation; Utilities; Vital Statistics; and Voter Statistics.

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